

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF ECONOMIC SUPPORT  
ADMINISTRATOR'S MEMO SERIES

NOTICE 00-22

ISSUE DATE: 12/22/2000  
DISPOSAL DATE: Ongoing

RE: W-2 60-MONTH LIFETIME  
ELIGIBILITY LIMITS

To: W-2 Agency Directors

From: Jennifer L. Noyes /s/  
Administrator

## PURPOSE

On September 1, 2001, some Wisconsin Works (W-2) participants will approach their W-2 60-month lifetime limits. In fact, individuals who transitioned from AFDC to W-2 may have already used **up to 50 months** of their 60-month lifetime limit. Therefore, the purpose of this memo is to:

1. Restate pertinent philosophical and policy information regarding the 60-month lifetime eligibility limits on Wisconsin Works (W-2) benefits;
2. Provide additional information specific to TANF lifetime eligibility; and
3. Provide a tool that will assist agencies in identifying those individuals who have less than 10 to 12 months remaining on their 60-month lifetime limit.

## BACKGROUND

The signing of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) on August 22, 1996, fundamentally altered the nature of public assistance. PRWORA introduced Temporary Assistance for Needy Families (TANF) block grants as a replacement to the AFDC program and made cash payments to recipients temporary and provisional. In general, payments of TANF funds are made temporary by limiting the receipt of cash benefits to 60 months (whether or not consecutive). The time limit is designed to provide a sense of urgency for both recipients and case workers and to encourage constant progress to enable recipients to move to self-sufficiency before the 60-month time limit for eligibility ends. Although TANF law allows states to set time limits shorter than 60 months and allows states to further define what affects their time limit, Wisconsin has opted for a W-2 60-month lifetime eligibility limit.

The time limit applies only to TANF and does not apply to child care, food stamps or Medicaid. In addition, states are allowed to use TANF funds to aid up to 20 percent of its caseload beyond the 60-month time limit. (see *TANF 20% Exemption*).

## **PHILOSOPHY**

Wisconsin continues to encourage participants to leave welfare for unsubsidized employment and self-sufficiency as soon as possible. One of the primary goals of W-2 is to reduce time spent on welfare and to end long-term welfare dependency by creating a system of goal-oriented, short-term support. Under W-2, time limited benefits, in combination with intensive case management, job training, and job placement assistance, will provide both the incentive and the ability for participants to reach self-sufficiency as soon as possible.

## **60-MONTH W-2 LIFETIME ELIGIBILITY LIMIT POLICIES**

The following is a summary of policies specific to the 60-month time limit. For a more detailed description of each policy, please refer to the W-2 Manual.

### *Months Counted Toward the 60-Month Limit*

AFDC recipients who were active participants in the JOBS program, starting October 1, 1996, and/or participants in W-2 employment positions (Trial Jobs, Community Service Jobs and W-2 Transition), have a lifetime participation limit of 60 months (whether consecutive or not) in the AFDC program and/or W-2 employment positions. If the participant participated in JOBS or a W-2 employment position at any time during a month, that month counted towards the 60-month time limit. Even if the individual is subject to a payment reduction or strike, the 60-month clock would tick. Also counted against the 60-month clock is any time a participant receives TANF assistance in this state or any other state. (W-2 Manual 2.3.1.1)

### *Eligibility for 60-Month Extensions*

Wis Stats. 49.145(2)(n)(3) provides that a W-2 agency may extend a participant's eligibility for W-2 beyond 60 months if it determines that unusual circumstances exist that warrant an extension. As provided in administrative rules s.DWD 12.09(2)(n), in determining whether to recommend extended eligibility, the W-2 agency may consider the following unusual circumstances:

1. The adult W-2 group member is unable to work because of personal disability or incapacitation;
2. The adult W-2 group member is needed in the home as determined by the W-2 agency to care for another member of the W-2 group who has an incapacity of such severity that, without in-home care provided by the W-2 participant, the incapacitated member's health and well-being would be significantly affected;
3. The adult W-2 group member has significant limitations to employment such as:

- Low achievement ability, learning disability, emotional problems of such severity that they prevent the participant from obtaining or retaining unsubsidized employment, but are not sufficient to meet SSDI or SSI requirements; or
  - Family problems of such severity that they prevent the W-2 group member from obtaining or retaining unsubsidized employment;
4. The adult group member has made all appropriate efforts to find work and is unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity. A reasonable job opportunity means a job that pays at least the minimum wage and conforms to all applicable federal and state laws.

The Department of Workforce Development retains the right to review, approve, or overturn the agency's decision to extend the 60-month limit. Further clarification on the procedures for determining eligibility for an extension will be forthcoming.

### *TANF 20% Exemption*

Federal TANF law allows states to use federal TANF funds to provide assistance to 20 percent of its caseload beyond the 60-month time limit. More specifically, it gives the states the option to extend assistance beyond the 60 month limit "for up to 20 percent of the average number of families receiving assistance during the fiscal year or the immediately preceding fiscal year, whichever the State elects." The Department's analysis of current TANF law and regulations determined that the "number of families receiving assistance" includes the W-2 cash assistance caseload and the Kinship Care and SSI Caretaker Supplement caseloads. Therefore, based on our calculation, the estimated caseload that may go beyond 60 months of eligibility can be funded using TANF.

### *Federal and State 60-Month Clocks*

Upon issuance of the final TANF federal regulations effective October 1999, it became clear that some types of TANF assistance provided under W-2 do not count toward the TANF 60-month time limit but do count toward the W-2 60-month time limit. What exactly does that mean? Although specific types of assistance that affect the federal TANF clock must be tracked separately for federal reporting purposes and for the purpose of reporting TANF receipt of assistance to other states, the W-2 60-month time limit is the primary focus for the W-2 agencies. The 60-month time limit total is displayed in CARES, CARES notices and Enterprise Output Solutions (EOS) reports. Before W-2 participants reach their W-2 60-month time limit, a decision needs to be made regarding whether the individual is eligible for an extension based on the 60-month extension criteria. The only instance in which an agency would use the federal 60-month information is when another state contacts them to determine for how many months a person received TANF assistance while living in Wisconsin.

## **REPORTS**

The Individual Clocks Report (Form Name: C785; Report ID: CRP769RA) is available on EOS to assist W-2 agencies in tracking participants approaching 60-months. This report is broken down by agency, worker and each worker's caseload. The report displays how much time participants have used on each of their clocks, i.e., W-2 Employment Position clocks, Jobs

Opportunities and Basic Skills (JOBS) clock, 60-Month clock, etc. This report assists workers in managing their caseload with respect to how much time participants in their caseload have used on their clocks.

#### *Cases That Have Reached 48 - 50 Months*

Individuals who transitioned from AFDC to W-2 (March 1, 1997, in the W-2 pilot counties, and statewide beginning September 1997) may have already used **up to 50 months** of their 60-month lifetime limit. In order to assist W-2 agencies in tracking individuals who are approaching their 60-month time limit, DES has prepared a report identifying by agency and by Financial and Employment Planner specific cases that have reached between 48 and 50 months on their 60-month clocks. In addition, the report shows:

- the participant's W-2 placement as of November 30, 2000;
- the participant's individual clock totals;
- the number of months remaining until the participant reaches 60 months; and
- the number of months used toward the 60-month limit.

Particular attention should be paid to the last column of the report. This column identifies individuals who will reach 60 months **prior** to ever reaching the 24-month time limit in a W-2 employment position. Because these participants' cases have not been reviewed to determine eligibility for a 24-month extension, they may not have received the intensive case management that the 24 months cases have received. The last column also identifies those individuals who have exceeded 24 months in a W-2 employment position.

W-2 agencies should set up internal procedures for reviewing the case management strategies for all of these cases and ensure that participants move toward unsubsidized employment as soon as possible. We recognize that some individuals may not be ready for unsubsidized employment. For these cases, agencies must ensure that the W-2 participant is engaged in appropriate activities, that the case files contain adequate documentation of the barriers preventing him or her from obtaining unsubsidized employment and the participant and his or her family is referred to and receiving all necessary and appropriate services.

Not all W-2 agencies have individuals that have reached between 48 and 50 months of their 60-month clocks. The report referenced here will only be distributed to agencies that have participants who have reached between 48 and 50 months. DES Regional Staff will distribute the report to these W-2 agencies the week of December 18, 2000. DES Research and Statistics staff is working on a similar report that will be available to all W-2 agencies on an ongoing basis. More information on this report will be provided as it becomes available. In the meantime, W-2 agencies should continue to use the Individual Clocks Report (Form Name: C785; Report ID: CRP769RA) to track their caseload with respect to time limits.

#### **DIVISION OF ECONOMIC SUPPORT (DES) 60-MONTH TIME LIMITS WORKGROUP**

The Division of Economic Support (DES) has established a DES 60-Month Time Limits Workgroup in order to ensure that all issues related to the 60-month time limit are identified and addressed. The projected outcomes of the Workgroup are:

- Clear policy guidelines to ensure that:
  - W-2 agencies understand how the 60-month time limits affect participants
  - W-2 agencies understand what ticks the federal clock and what ticks the state clock
  - Participants are given due consideration for extensions when appropriate
- CARES logic to allow agencies to identify and enter time limit data.
- Quick and easy access to accurate EOS and Data Warehouse reports on participants approaching or reaching 60 months.
- Policies and procedures that assures the state's ability to meet our federal reporting requirements.
- Wisconsin exercises all options under TANF in order to provide services to individuals who reach their 60-month lifetime eligibility limit; i.e., funding options, extensions related to undue hardship, etc.

In addition to the above areas of focus, the Workgroup will be reviewing and considering the recommendations presented by the W-2 Contract and Implementation Committee (CIC) Workgroup on Five Year Time Limits. Updates on the Workgroup's progress will be given at future W-2 CIC meetings.

REGIONAL OFFICE CONTACT:     Area Administrators